In the Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application. Please amend the claims without prejudice or disclaimer as follows:

Listing of Claims:

- 1. (Currently Amended) An apparatus for coalescing droplets of one phase from a fluid comprising two or more phases, said apparatus comprising a chamber, a coalescing medium comprising a plurality of substantially elongate members each having a surface area, a retaining member to which the coalescing medium is secured, an inlet to said chamber, and an outlet from said chamber, said inlet and outlet being positioned such that fluid flowing from said inlet to said outlet flows in a flow direction in contact with said surface area of said coalescing medium, the elongate members extending substantially in the flow direction, characterized in that said chamber is formed from a substantially straight pipe having a first end and a second end and a branch intermediate said first and second ends, the intermediate branch having a free end, wherein the retaining member is located at the second end of the chamber such that the intermediate branch is located between the retaining member and the first end, and said retaining member being adapted to close off the second end of the chamber to fluid flow from the intermediate branch, said outlet being arranged at the first end and an access cover being arranged at the second end, said inlet being arranged at the free end of said branch, wherein said access cover is adapted to allow removal and replacement of the retaining member and coalescing medium, wherein said elongate members are substantially mutually aligned fibres which are supported by the retaining member at one end only and free to extend along the interior of the pipe toward the second end under the action of fluid flowing along the pipe toward the outlet.
- 2. (Original) An apparatus in accordance with Claim 1, wherein said retaining member is adapted to be removably engaged within said chamber.

- 3. (Previously Amended) An apparatus in accordance with Claim 1, wherein the interior of said chamber is provided with a shoulder adapted to engage with said retaining member.
- 4. (Original) An apparatus in accordance with Claim 3, wherein said access cover is adapted to hold said retaining member against said shoulder when the access cover is attached to the pipe.
- 5. (Previously Amended) An apparatus in accordance with Claim 1, wherein said retaining member is provided with one or more apertures for securing said coalescing medium to said retaining member.

6. (Canceled)

- 7. (Currently Amended) An apparatus in accordance with Claim 6 Claim 1, wherein said coalescing medium comprises ribbon-like fibres.
- 8. (Currently Amended) An apparatus in accordance with Claim 6 Claim 1, wherein said fibres are selected from the group of materials consisting of polypropylene, metal wire, animal hair, polyethylene, polyester, and glass wool.
- 9. (Previously Amended) An apparatus in accordance with Claim 1, wherein said coalescing medium comprises one or more polypropylene ropes.
- 10. (Withdrawn) A method for coalescing droplets of one phase from a fluid comprising two or more phases using the apparatus of Claim 1, in which the fluid is caused to flow in a flow direction through the chamber, each of the plurality of substantially elongate members being substantially aligned in the flow direction, such that the fluid flows in contact with said surface area of said coalescing medium and droplets of a first phase of said fluid coalesce on said surface area.

- 11. (Withdrawn) A method in accordance with Claim 10, wherein the fluid is a liquid.
- 12. (Withdrawn) A method in accordance with Claim 11, wherein the fluid is a mixture of water and oil, and wherein the first phase is oil.
- (Currently Amended) An apparatus for coalescing droplets of one phase from a 13. fluid comprising two or more phases, said apparatus comprising a chamber, a coalescing medium comprising a plurality of substantially elongate members each having a surface area, a retaining member to which the coalescing medium is secured, an inlet to said chamber, and an outlet from said chamber, said inlet and outlet being positioned such that fluid flowing from said inlet to said outlet flows in a flow direction in contact with said surface area of said coalescing medium, the elongate members extending substantially in the flow direction, characterised in that said chamber is formed from a substantially straight pipe having a first end and a second end and a branch intermediate said first and second ends, the intermediate branch having a free end, wherein the retaining member is located at the second end of the chamber such that the intermediate branch is located between the retaining member and the first end, and said retaining member being adapted to close off the second end of the chamber to fluid flow from the intermediate branch, said outlet being arranged at the first end and an access cover being arranged at the second end, said inlet being arranged at the free end of said branch, wherein said access cover is adapted to allow removal and replacement of the retaining member and coalescing medium;

said retaining member being adapted to be removably engaged within said chamber; wherein the interior of said chamber is provided with a shoulder adapted to engage with said retaining chamber, and wherein said elongate members are substantially mutually aligned fibres which are supported by the retaining member at one end only and free to extend along the interior of the pipe toward the second end under the action of fluid flowing along the pipe toward the outlet.